Introduced by Assembly Member Bill Berryhill

February 23, 2012

An act relating to regulations.

LEGISLATIVE COUNSEL'S DIGEST

AB 2090, as introduced, Bill Berryhill. Regulations.

The Administrative Procedure Act generally sets forth the requirements for the adoption, publication, review, and implementation of regulations by state agencies, and for review of those regulatory actions by the Office of Administrative Law.

This bill would declare the intent of the Legislature to enact legislation that would provide greater oversight over the regulatory process.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the 2 following:
- 3 (a) Robust jobs and economic growth are the key to repairing California's chronic budget problems and generating adequate revenues to fund vital programs like education, infrastructure, and
- 6 public safety.
- (b) California's jobs, business, and economic climate have been in dire straits for several years, resulting in higher unemployment,
- 9 and a reduction in the number of businesses, small businesses in

AB 2090 — 2 —

particular, operating in the state and concomitant decline in state revenues.

- (c) California's regulatory burdens are often cited as one of the main causes of stagnant job and economic growth and why many businesses decide to expand in other states instead of California. In fact, in 2011 CEO magazine ranked California last among states where companies prefer to do business for the seventh straight year.
- (d) A large part of the problem is that too much authority over the California economy and jobs climate has been ceded to the unelected state bureaucracy. Regulations adopted by state agencies often impose unnecessary burdens on California's economic and jobs climate at a time when California can least afford to discourage economic and job growth.
- (e) Today, instead of using due diligence in analyzing the economic impacts of proposed regulations, state agencies often merely fill out a four-page economic questionnaire that provides little more than one-word answers and checked-off boxes and is devoid of supporting data. On top of that, this information is not currently required to be made available to the public.
- (f) More sunshine and public input is needed in the regulatory rulemaking process. Those subject to regulations are often in the best position to determine the actual costs of regulations, and also to identify equally effective but less burdensome alternatives.
- (g) Additionally, the connection between those that adopt laws and those that implement them has been eroded. Stronger and more direct oversight of the regulatory rulemaking process by the Legislature, as the body conferring authority to adopt regulations, will improve the regulatory rulemaking process.
- (h) It is not the intent of this act to unduly impede the regulatory rulemaking process. It is rather to provide greater sunshine and public participation in the fastest-growing area of government and to develop the most thoughtful, economically efficient, and least burdensome regulations on jobs and businesses when carrying out the intent of authorizing statutes.
- (i) Under this act, if a state agency has sufficiently involved the public in the rulemaking process and conducted a thorough analysis of a regulation's economic impacts, this act should have no adverse effect on the regulatory rulemaking process.

-3- AB 2090

(j) Further, the purpose of this act is not to prevent or postpone the adoption of any particular type of regulation or regulations but simply to ensure that accurate and honest information about a proposed regulation's true economic impact is prepared and made available to the public and the legislative and executive branches of government.

SEC. 2. It is the intent of the Legislature to enact legislation that would provide greater oversight over the regulatory process.